

CUNA About Credit Union

# MEMBERSHIP BENEFITS REPORT

## About Credit Union

### The Benefits of Membership

Credit unions generally provide financial benefits to members through lower loan rates, higher savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Abound Credit Union provided \$18,240,750 in direct financial benefits to its 122,919 members during the twelve months ending December 2022 <sup>(1)</sup>.

**These benefits are equivalent to \$148 per member or \$312 per member household <sup>(2)</sup>.**

The per-member and per-household member benefits delivered by Abound Credit Union are substantial. But, these benefits are reported as averages. Mathematically, that means the total benefits you provide are divided across all members (or all member households) - even those who conduct very little financial business with the credit union.

For example, financing a \$30,000 new automobile for 60 months at Abound Credit Union will save members an average \$158 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$790 in savings over 5 years.

Further, loyal members<sup>(3)</sup> - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

CUNA estimates that Abound Credit Union provided loyal high-use member households \$1615 in direct financial benefits during the twelve month period.

Abound Credit Union excels in providing member benefits in many loan and savings products. In particular, Abound Credit Union offers lower loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit cards loans.

Abound Credit Union also pays its members higher dividends on the following accounts: money market accounts, certificate accounts, IRAs.



Source: Datatrac, NCUA, and CUNA.

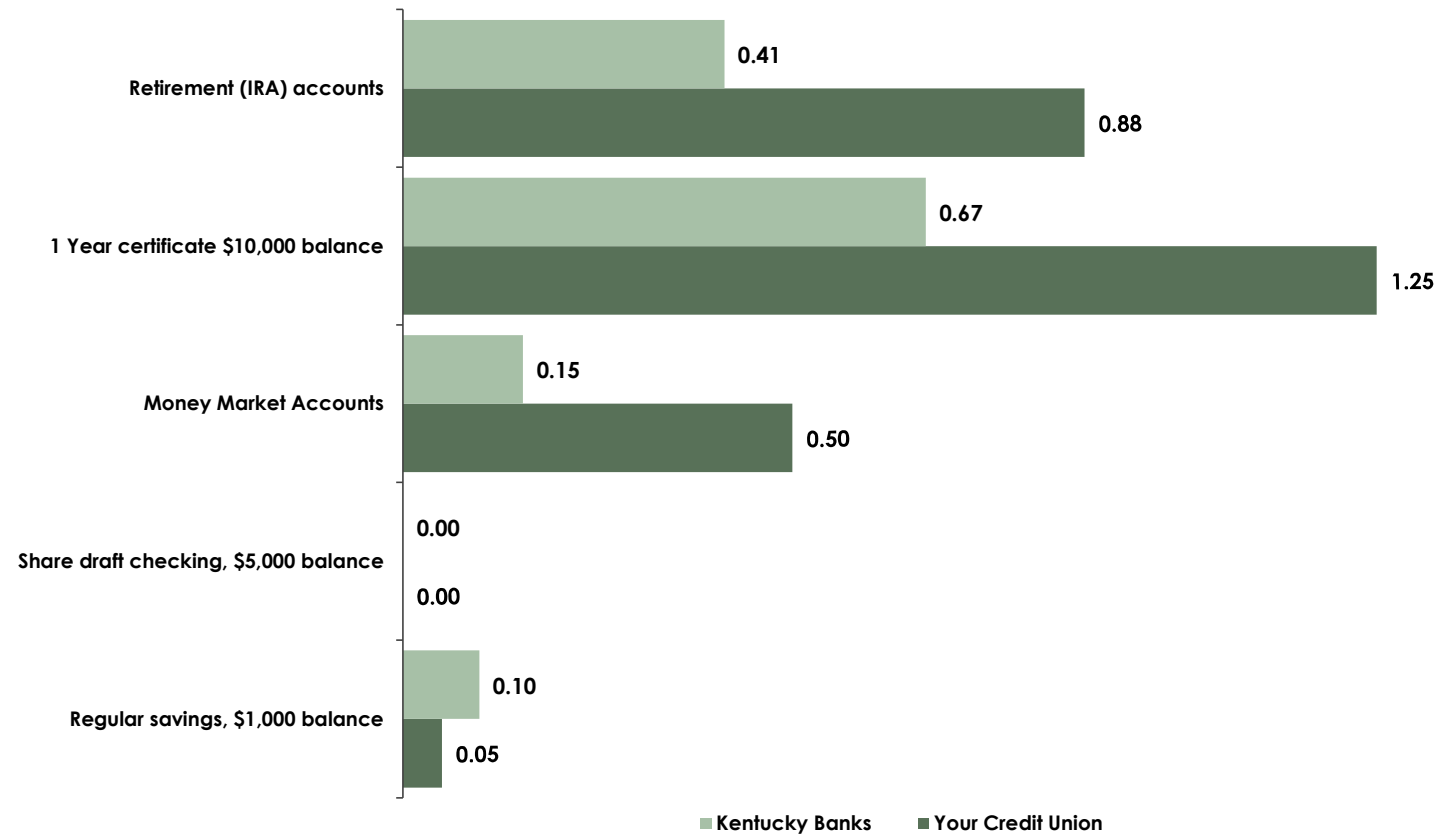
(1) Rates and fees as of 3/28/2023.

(2) Assumes 2.1 credit union members per household.

(3) A "loyal member" is assumed to have a \$30,000, 60-month new auto loan, a classic credit card with an average balance of \$5,000, a \$200,000, 30-year fixed rate mortgage (a 30-year fixed rate mortgage is replaced with a 5-year adjustable rate mortgage if it yields a greater benefit as it is assumed more in demand), \$5,000 in an interest-bearing checking account, \$10,000 in a one-year certificate account, and \$2,500 in a money market account.

## Savings Product Comparative Interest Rates (%)

### by Savings Account Type

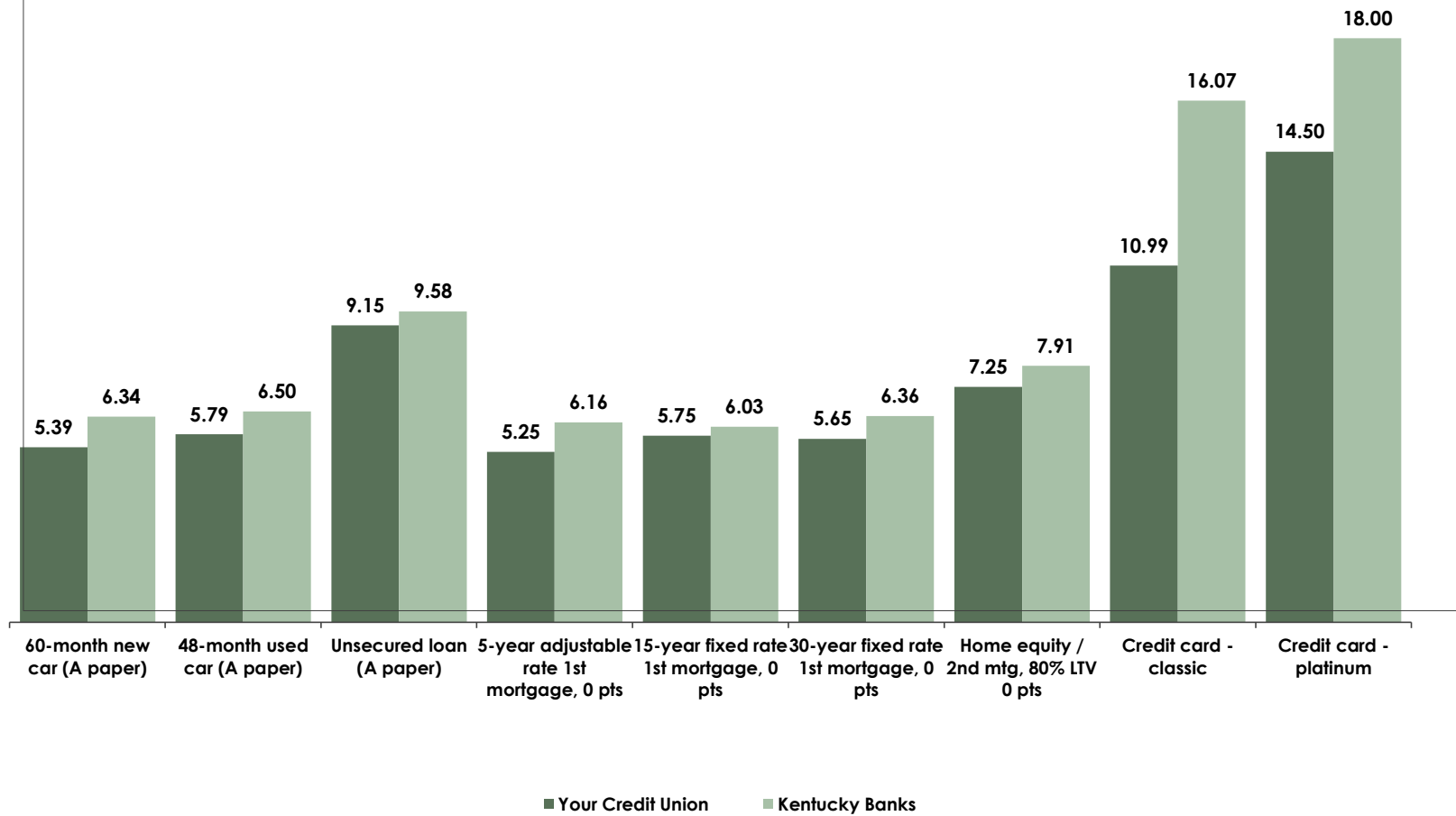


# Membership Benefits Report

CUNA Economics and Statistics

## Loan Product Comparative Interest Rates (%)

by Loan Type

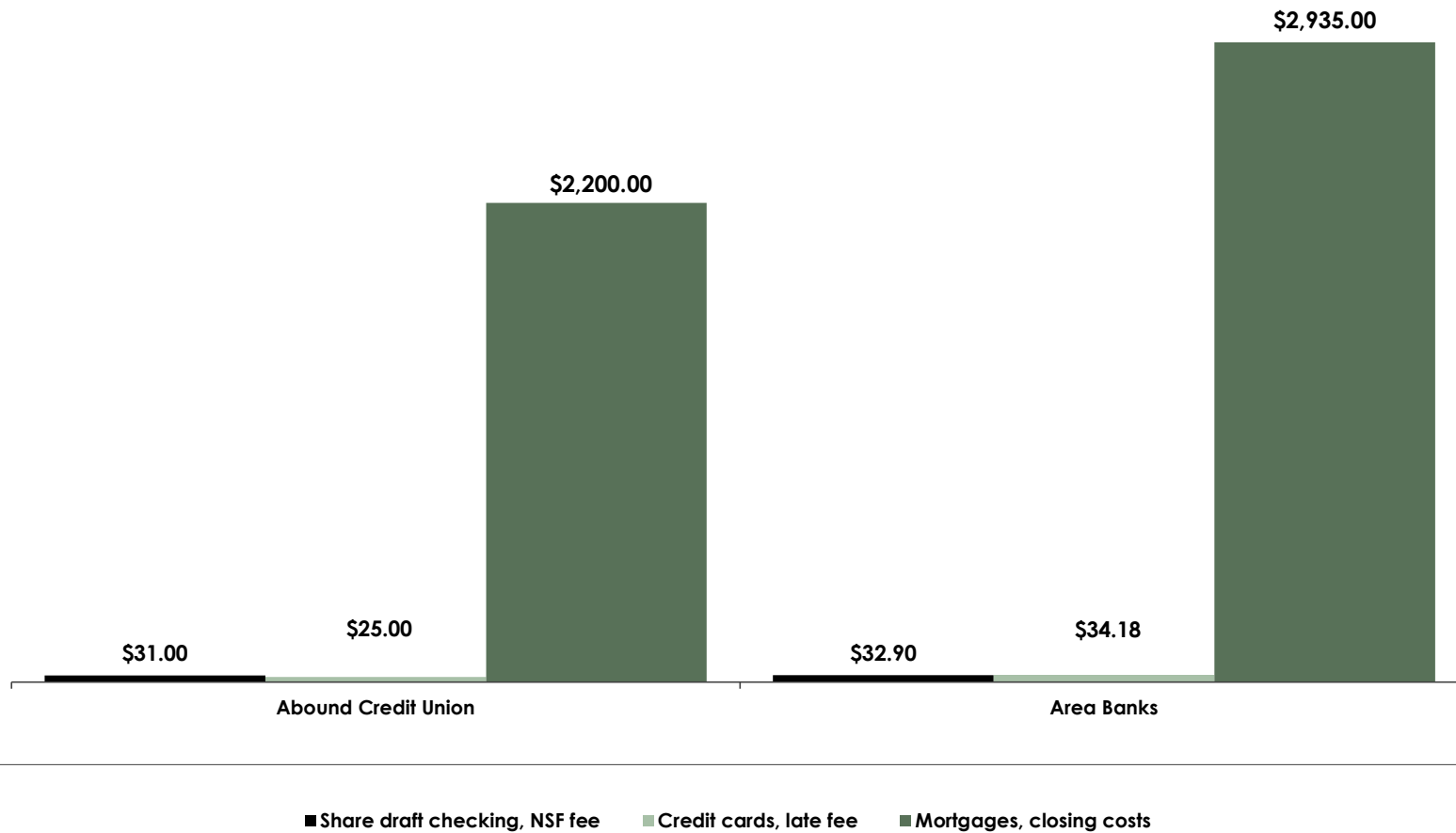


# Membership Benefits Report

CUNA Economics and Statistics

## Comparative Fees

by Type



## Interest Rates at Abound Credit Union and Banking Institutions in Kentucky

Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	5.39	6.34	-0.95
48-month used car (A paper)	5.79	6.50	-0.71
Unsecured loan (A paper)	9.15	9.58	-0.43
5-year adjustable rate 1st mortgage, 0 pts	5.25	6.16	-0.91
15-year fixed rate 1st mortgage, 0 pts	5.75	6.03	-0.28
30-year fixed rate 1st mortgage, 0 pts	5.65	6.36	-0.71
Home equity / 2nd mtg, 80% LTV 0 pts	7.25	7.91	-0.66
Credit card - classic	10.99	16.07	-5.08
Credit card - platinum	14.50	18.00	-3.50
<b>Savings Products</b>			
Regular savings, \$1,000 balance	0.05	0.10	-0.05
Share draft checking, \$5,000 balance	0.00	0.00	0.00
Money Market Accounts	0.50	0.15	0.35
1 Year certificate \$10,000 balance	1.25	0.67	0.58
Retirement (IRA) accounts	0.88	0.41	0.46
<b>Fee Income</b>			
Share draft checking, NSF fee	\$31.00	\$32.90	-\$1.90
Credit cards, late fee	\$25.00	\$34.18	-\$9.18
Mortgages, closing costs	\$2,200.00	\$2,935.00	-\$735.00

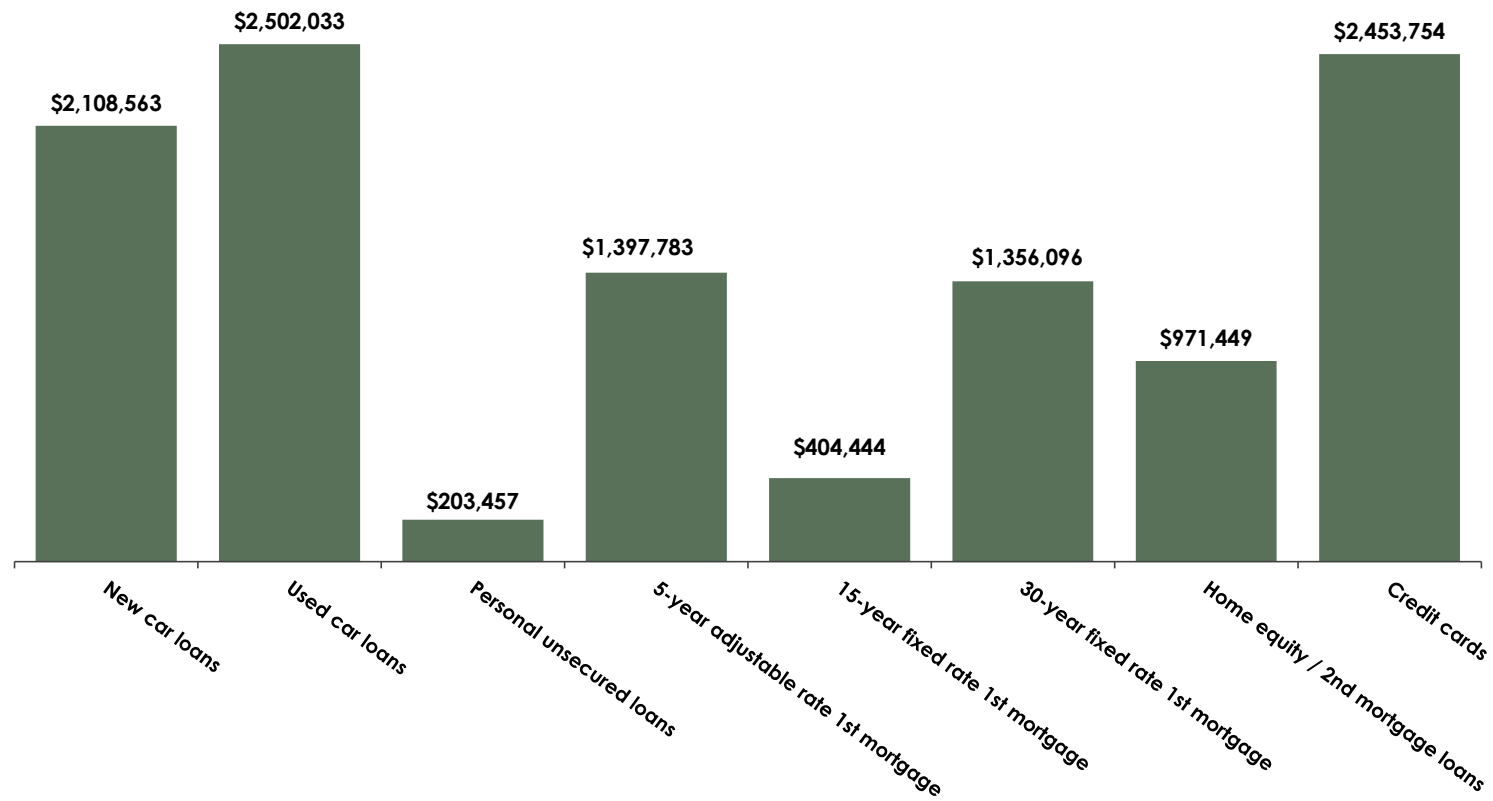
\*Rates and fees as of 3/28/2023. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# Membership Benefits Report

CUNA Economics and Statistics

## Your Credit Union's Total Loan Rate Benefits

by Loan Type

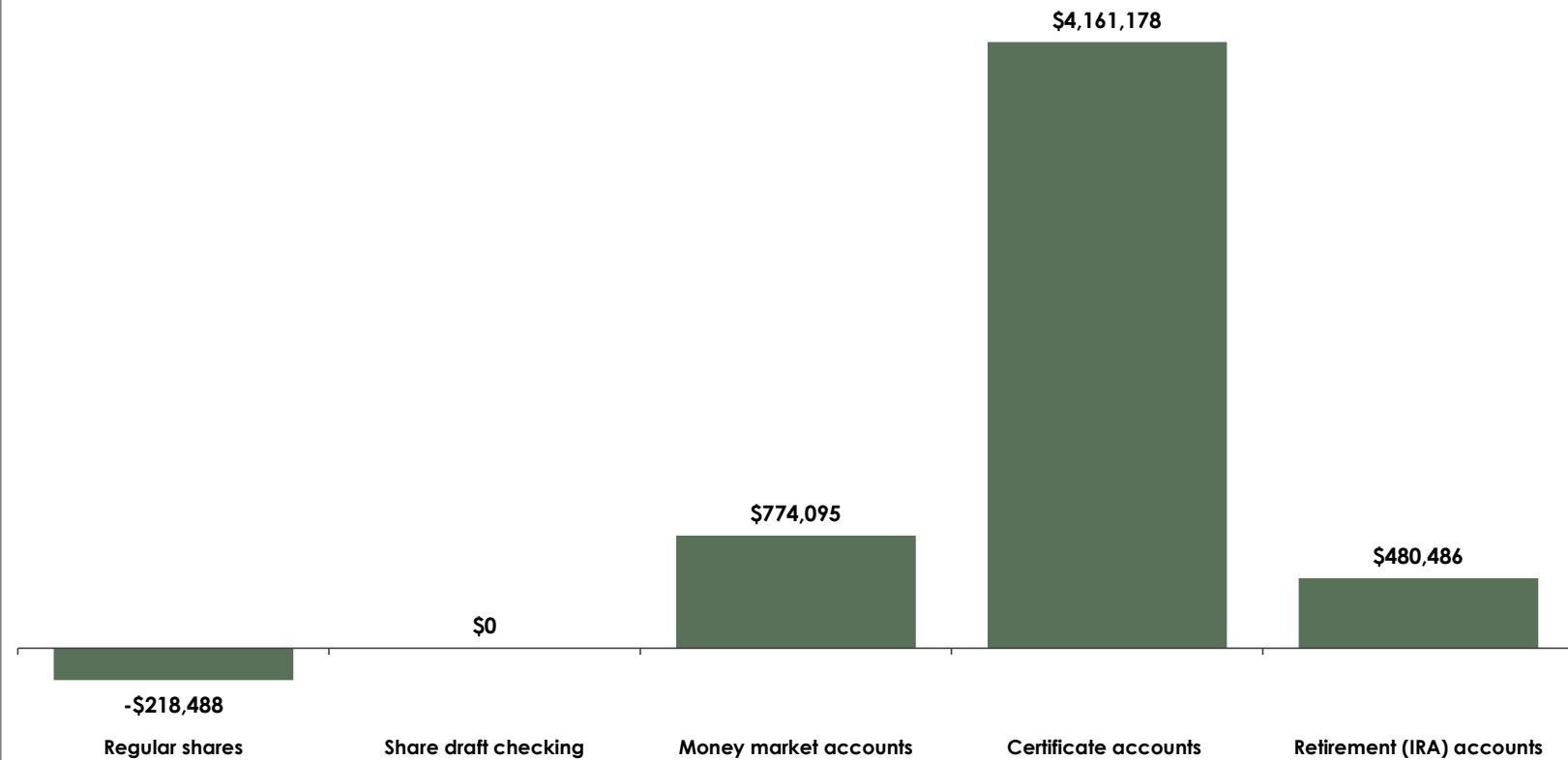


# Membership Benefits Report

CUNA Economics and Statistics

## Your Credit Union's Total Savings Dividend Benefits

Compared to Banking Institutions in Your State  
by Account Type

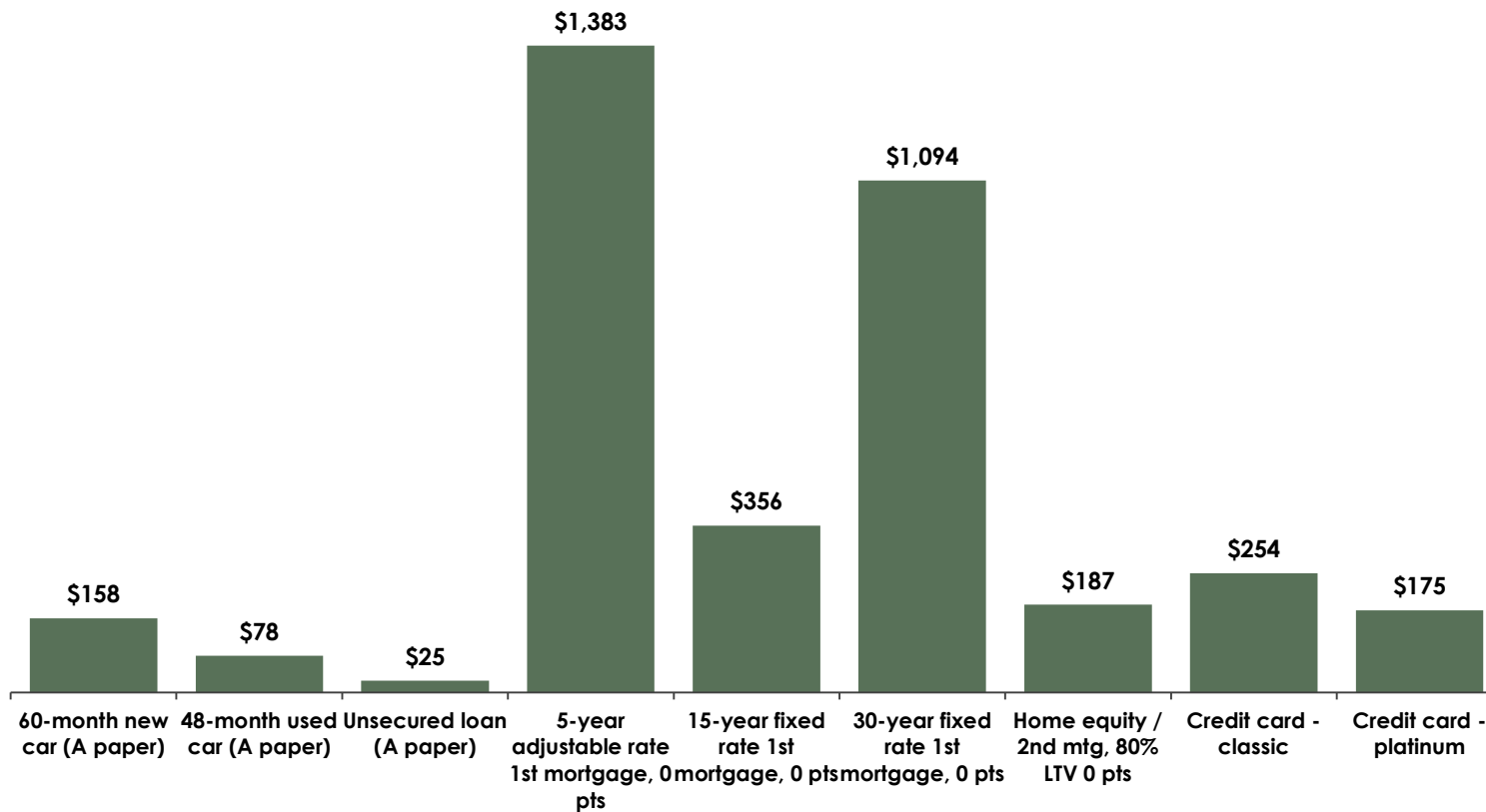




# Membership Benefits Report

CUNA Economics and Statistics

## Annual Member Benefit of Loan Products with Various Terms



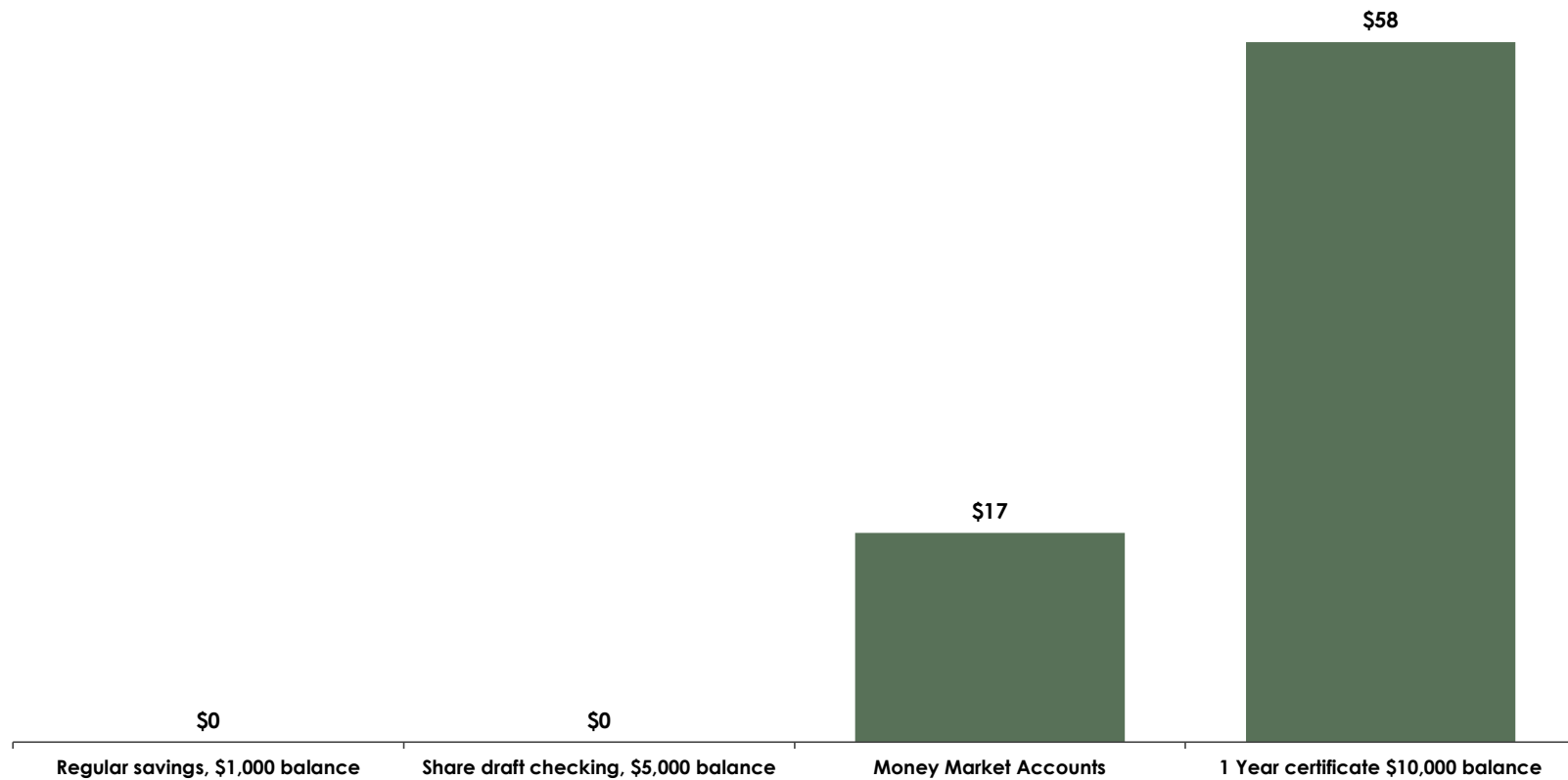
Terms on loan products included are as follows:

New Car: \$30,000; Used Car: \$20,000; Unsecured Loan: \$10,000 (5 years)  
5 Year Adj: \$200,000; 15 Year Fixed: \$200,000; 30 Year Fixed: \$200,000  
Home Equity: \$50,000; Classic Credit Card: \$10,000; Gold Credit Card: \$10,000

# Membership Benefits Report

CUNA Economics and Statistics

## Annual Member Benefit on Savings Products with Various Terms



# Membership Benefits Report

CUNA Economics and Statistics

## Estimated Financial Benefits for Abound Credit Union

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. Kentucky Banks (%) (2)	Financial Benefit to Your Members
New car loans	222,422,210	-0.95	\$2,108,563
Used car loans	352,399,043	-0.71	\$2,502,033
Personal unsecured loans	47,315,634	-0.43	\$203,457
5-year adjustable rate 1st mortgage	153,771,522	-0.91	\$1,397,783
15-year fixed rate 1st mortgage	146,537,761	-0.28	\$404,444
30-year fixed rate 1st mortgage	191,268,826	-0.71	\$1,356,096
Home equity / 2nd mortgage loans	148,086,784	-0.66	\$971,449
Credit cards	52,343,966	-5.08	\$2,453,754
Interest rebates			\$0
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$11,397,580</b>
Savings			
Regular shares	455,183,633	-0.05	-\$218,488
Share draft checking	221,183,760	0.00	\$0
Money market accounts	223,726,765	0.35	\$774,095
Certificate accounts	718,683,590	0.58	\$4,161,178
Retirement (IRA) accounts	103,888,950	0.46	\$480,486
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$5,197,271</b>
Fee Income			
<b>Total CU member benefit arising from fewer/lower fees:</b>			<b>\$1,645,900</b>
<b>Total CU member benefit arising from interest rates on loan and savings products and lower fees:</b>			<b>\$18,240,750</b>
<b>Total CU member benefit / member:</b>			<b>\$148</b>
<b>Total CU member benefit / member household:</b>			<b>\$312</b>

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2022 and December 2021 according to the NCUA call report.

(2) Rates and fees as of 3/28/2023. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# *Certificate of Excellence*

*is hereby granted to:*

## **Abound Credit Union**

*The Credit Union National Association has determined that Abound Credit Union provided \$18,240,750 in direct financial benefits to its 122,919 members during the twelve months ending in December 2022. These benefits are equivalent to approximately \$312 per member household.*

*Abound Credit Union provided loyal high-use member households \$1,615 in direct financial benefits.*

*Credit unions generally provide financial benefits to members by charging less for loans, paying more on deposits and charging fewer/lower fees compared to banking institutions.*



## About Credit Union Performance Profile

Demographic Information	Dec 22	Dec 21
Number of branches	17	17
Total assets (\$ mil)	2,104	2,025
Total loans (\$ mil)	1,467	1,294
Total surplus funds (\$ mil)	530	632
Total savings (\$ mil)	1,744	1,701
Total members (thousands)	127	119
Growth Rates (Year-to-date)		
Total assets	3.9 %	8.7 %
Total loans	13.3 %	4.5 %
Total surplus funds	-16.2 %	24.0 %
Total savings	2.5 %	9.2 %
Total members	6.3 %	2.3 %
Earnings - Basis Pts.		
Yield on total assets	333	310
- Dividend/interest cost of assets	59	58
+ Fee & other income	137	114
- Operating expense	200	203
- Loss Provisions	14	19
= Net Income (ROA)	196	144
Capital adequacy		
Net worth / assets	15.9	15.0
Asset quality		
Delinquencies / loans	0.5	0.3
Net chargeoffs / average loans	0.1	0.0
Total borrower-bankruptcies		260
Bankruptcies per 1000 members		2.2
Asset/Liability Management		
Loans / savings	84.1	76.1
Loans / assets	69.7	63.9
Long-term assets / assets	44.2	45.1
Core deposits/shares & borrowings	37.4	38.9
Productivity		
Members/potential members	59.0	56.7
Borrowers/members	75.8	73.9
Members/FTE	380	384
Average shares/members (\$)	13,765	14,280
Average loan balances (\$)	15,265	14,695
Salary & Benefits/FTE	59,726	59,443



Transform member benefits into new business with a **Member Benefit Marketing Toolkit**

The Credit Union National Association (CUNA) and Datatrac have teamed up to bring you the analysis in this report. Member Benefit Marketing Tools provides you with practical applications for using data in this report to show members how much you save them, drive in new members, generate more loans and attract bigger deposits.

**Member Benefit Marketing Tools** prove to new and existing members:

- How much you saved your entire membership last year in interest and fees compared to the competition
- How much they will save on their next loan with you
- How much more they will earn on their deposits with you

**Member Benefit Marketing Toolkits** include:

- Lead generation for loans, deposits and new members
- Competitive comparison widgets for your website
- Facebook app
- Animated graphics for branch lobby digital displays
- Proof Points for use in marketing collateral
- Award Certification & Trophy
- Press releases
- Newsletter copy
- Member handouts
- Subscription to the CUNA Member Benefits Report

Visit [www.datatrac.net/memberbenefits](http://www.datatrac.net/memberbenefits) to see live examples, schedule a demo and receive a free competitive analysis.

**NEW** Show members how much you save them.

Analysis as of May 4, 2017

ABC Financial CU members saved **\$10,734,590!**

APPLY NOW

Auto Loan

Jacksonville, Florida Member 3.76% APR

ABC Financial 2.74% APR<sup>2</sup>

up to **27% lower<sup>1</sup>**

Boat Loan

Share Certificate

**CUNA Membership Benefits Report**  
Datatrac widget links to your custom report

**Savings for your Entire Membership**  
Amount you saved your entire membership last year

**Savings by Product**  
Amount a member on their next deposit or loan with you

CUNA  
Credit Union National Association

DATATRAC  
Loan and Deposit Generators

Show members how much you save them with **Member Benefits Marketing Tools**



**Analyze your credit union's performance and service to members with CUNA's research resources:**

**Operating Ratios & Spreads**

**Prompt Corrective Action  
(PCA) Checkup**

**Membership Benefits Report**